

LABOR SKILLS MISMATCH AS A MAIN FACTOR OF STRUCTURAL UNEMPLOYMENT

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Abstract: *One of factor main contributors to increasing number unemployment is mismatch skills (skill mismatch) between power available work with job market needs . Mismatch This happen when individual own skills that are not relevant or No Enough For fulfil demands of the industrial and technological world that continue developing . Research This aiming For identify to what extent is the discrepancy skills become reason main unemployment and for analyze the factors behind it . The research method used is legal normative , namely do study bibliography conducted with method researching ingredients literature Good book or journals and secondary data as base For investigated with method stage search to regulations and related literature with problem.*

Keywords: *Skills Work, Labor, Unemployment Structural*

Introduction

The era of globalization is increasingly develop rapid make quality education as one of the foundation important in determine development economy a country. Quality good education No only influence improvement knowledge and skills individual , but also as a direct related with absorption power work , level poverty , and the level of unemployment . ¹Labor own an important role in implementation development national . Workforce Alone as actors and objectives development ².

Unemployment and poverty are two indicators important that often used in measure welfare economy a country. Considering individuals who do not own work tend No own adequate income For fulfil need his life . In some area , there are increase level unemployment No always followed by an increase level poverty , or even happen decline level poverty although level unemployment increase . ³

One of factor height level unemployment is low quality source Power human being who hinders ability power Work For compete in an increasingly job market competitive . Therefore that , is needed effort improvement quality education and training Work use create power more work competent and ready compete in the era of globalization . ⁴Include it habit employ child is common behavior occurs in the society where they are use power Work child ⁵.

¹ Happy Adianita , et al . "Factors Affecting Unemployment Rates in Indonesia". Vol. 13, no. 2. Year 2024. H. 283.

² Ida Hanifah. Opportunities for Foreign Workers For Working in Indonesia Based Design Copyright Act Work . DE LEGA LATA: Journal Knowledge Hukm Volume 6 Number 1, January – July 2020, Page 168

³Taufik Maulana. “ Analysis Mismatch Between Increase in Unemployment Rate and Decrease in Poverty Rate in District West Pasaman ”. Journal Multidisciplinary Innovative . Vol. 8. No. 12. 2024. H. 291.

⁴ Imsar , & Rambe , RA " The Influence of Development Economics on Human Resources in Indonesia". Journal of Economics and Digital Business . Vol. 1 No. 2. 2023. P. 264 .

⁵ Mirsa Astuti, Syofiaty Lubis, Lilawati Ginting. Employing Underage Children In Study International Law And Islamic Law. Proceeding International Seminar on Islamic Studies Volume 4 Number 1 Year 2023. P. 265

In addition, high unemployment can also contribute to improvement number crime consequence pressure the economy experienced individual without jobs. Various factor influence height number unemployment in Indonesia, such as imbalance between growth power work and availability field work, low quality education and skills, as well as development technology that replaces role humans in some sector work.⁶

Unemployment structural is type unemployment that occurs when power Work No own appropriate skills with job market needs. This is not solely Because lack of field work, but rather Because existence inequality between skills offered by the workforce work and skills needed by the business world and industry.

It is expected government can more active and responsive in face problem mismatch skills power work. One of the step important is with provide training and education programs appropriate vocation with job market needs moment This. Training the should No only focus on skills technical, but also in the development of soft skills such as communication, problem solving problems, and adaptation to technology.⁷

Literature Review

1. Skills Work

Skills Work is ability For operate work in a way easy and precise.⁸ This understanding usually tend to be active psychomotor. Or another definition says skills is activity which requires practice or can interpreted as implications from activity⁹. Another explanation says that skills is required capacity For carry out a number of the task which is development from training results and experience gained.¹⁰

2. Labor

In Article 1 number 1 of the Law Number 13 of 2003 concerning Employment written that Employment is all related things with power work on time before, during and after the work period. Labor is everyone who is able do work use produce goods and/ or service Good For fulfil need Alone and also For public¹¹.

3. Unemployment Structural

Unemployment or Can also called unemployed is term for people who don't Work The same once, or currently look for Jobs. Unemployment generally due to Because amount force Work or the seekers Work No comparable with amount field available work.¹² Meaning from unemployment structural is at the time happen problem structure or problem composition economy.

⁶ Nurahman. "Government Efforts in Overcoming The problem Unemployment in Indonesia". Journal Registratie. Vol. 2 No. 1. 2020. P. 8.

⁷ Muhammad Jaelani & Sutono. "Implementation Training Based on Competence At the Job Training Center (Blk) of the Manpower Department Gresik Regency In An Effort To Reduce Unemployment". Journal of Economics, Business and Accounting. 2023. Vol. 3. No. 2. P. 138.

⁸ Davis, Gordon B. "Management Systems Information". Jakarta: TP. Midas Surya Grafindo. 1994. P. 60.

⁹ Nadler. "Definition Skills". Jakarta: PT. Grafindo 1986. P. 27.

¹⁰ Dunnette. "Skills Bookkeeping". Jakarta: PT. Grafindo 1976. p. 12.

¹¹ Article 1 Number 2 of the Law Number 13 of 2003 concerning Employment.

¹² Hasyim, AI Macroeconomics. Jakarta: Erlangga. 2016. P. 197.

Method

A study No can it is said study if No own method research¹³. Research law is a process for find rule law, principles law, and doctrines law use answer issues the law being faced¹⁴. The type of research used in writing This is study library research. Research methods used legal normative, namely study law that is carried out with method researching material library or secondary¹⁵ data. The approach used in study This is use approach legislation. Legal materials done is with use method centent analysis method is carried out with to describe material incident law or product law in a way Details use make it easier interpretation in discussion¹⁶

Results and Discussion

1. Reason The occurrence Mismatch Workforce Skills With Job Market Needs

Unemployment is one of inhibiting instrument growth of the country and give impact for stability economy and conditions social. Unemployment is a the circumstances in which a person belongs in force Work want to get work but Not yet can get it.¹⁷

One of factor the main cause height number unemployment is mismatch between skills power work and needs industry. Curriculum education that is still focused on theory without supported skills relevant practical make graduate of not enough own Power competitiveness in the job market. In addition, the limitations access to training and certification that can increase skills in accordance need industry also becomes constraint for Lots power work. Rapid development technology participate change landscape employment with emergence profession new in need skills special. If the power Work No capable adapt with change this, number unemployment potential the more increase.¹⁸

In the era of globalization and revolution industry 4.0, dynamics of the labor market Work experience very rapid changes. Changes This driven by development technology, digitalization, and shift need sector economy from manual work to work based on technology and knowledge.¹⁹ Condition This cause emergence types work new that requires more skills complex and different from previously.²⁰ However, the reality on the ground show that skills possessed by some big power Work Not yet capable to balance market demands. As a result, there is mismatch between offer skills power Work with demands of the business and industrial world.²¹ Inequality This Then be one of reason main from increasing number unemployment structural.

¹³ Ismail Koto, (2021). Legal Protection for Victims of Crime Criminal Terrorism, Proceedings of the National Entrepreneurship Seminar, 2 (1), pp. 1052-1059.

¹⁴ Peter Mahmud Marzuki, (2005), Legal Research, Jakarta: Kencana Prenada Media Group, p. 35

¹⁵ Ismail Koto. (2022). Legal Policy Against Actions Use of the Same Brand in Principle, SANCTIONS: National Seminar on Law, Social and Economics.

¹⁶ Rahmat, Ramadhani and Ramlan. (2019). Build Operate And Agreement Transfer (Bot) Merdeka Square Medan In The View Of State Administrative Law And Business Law. De Lega Lata: Journal Legal Science, 4 (2). Page 528.

¹⁷ Siti Fatimah Azzahra, et al. " Impact Unemployment To Stability Indonesian Social and Economic. Menawan : Journal of Research and Publication Economics. Vol. 2. No. 4. 2024. P. 221.

¹⁸ Rahman, D., & Rahman, K. " Effectiveness Policy Government About Development Competence Work Through the Pre-Employment Card Program Study of the Pre-Employment Card Program in Overcoming Unemployment in Tebo Regency, Jambi Province ". Journal of Government Studies : *Journal of Government, Social and Politics*. Vol. 7 No. 1. P. 39..

¹⁹ Schwab, K. "The Fourth Industrial Revolution". World Economic Forum. P. 30.

²⁰ McKinsey Global Institute. "Jobs Lost, Jobs Gained: Workforce Transitions in a Time of Automation." 2018. P. 24.

²¹ Ministry of Manpower of the Republic of Indonesia. (2022). Report National Employment.

Mismatch This happen when power Work No own skills or relevant competencies with demands industry and the world of work continues developing .²²Therefore , the utilization of technology in public No exclusive thing . Technology²³ information plays a very important role important in the world of work . This problem No only experienced by graduates new , but also by workers who have been in the labor market for a long time Work However No follow development technology and needs industry latest .²⁴

As a result , although there is vacancy work , position the No can filled Because No existence candidates who have the required competencies . This is what differentiates unemployment structural from type unemployment others , not No existence work , but rather existence gap between demand and supply skills in the labor market Work .²⁵

Consequence from mismatch This is increasing amount graduate of formal education that is not Ready work , and old workers who are being displaced from the job market Because his skills No Again relevant . In one side , company difficulty find candidate suitable workers , while on the other hand , millions of people are unemployed . Because No own skills required . Conditions this is what strengthens unemployment structural and become challenge Serious for development economy term long .²⁶

For overcome problem this , is needed collaboration close between government , institution education , and sectors private in to design system adaptive and based education and training need industry . Without fundamental improvements in preparation power relevant work with the times, unemployment structural will Keep going overshadow and hinder Power competition economy national .²⁷

2. Efforts That Can Be Made Done For Overcome Mismatch Workforce Skills To Be Able Reducing Unemployment Rates

Various effort has and is done For reduce inequality this is to suppress number unemployment and increase Power competition power Work national . Government has strive for various step For overcome problem unemployment through training and improvement programs skills . training is very much needed For get as well as give birth to source Power capable human being follow development of the world of work in accordance with his competence²⁸.

Government need to organize training Work for free to people in need Jobs . Training Can held with collaboration / cooperation with institution training / education in the environment resident said . Training Work tend more needed for residents who do not own background behind good education so that No own skills or skill in Work However along development technology , many things to do also developed by residents graduate of school or university.²⁹

²²OECD. "Skills for Jobs Database: Indicators of Skills Mismatch". 2021. P. 15.

²³ Faisal Riza, Rachmad Abduh. Alternative Completion Dispute In general Arbitration Through Utilization Technology Information . DE LEGA LATA Journal Legal Science FACULTY OF LAW UMSU. Volume 4 Number 1, January-June 2019, page 78

²⁴ILO. Glossary of Labor Market Terms. International Labor Organization. 2023. P. 21.

²⁵Mankiw, NG Macroeconomics (SEVENTH EDITION). Jakarta: Salemba Four . 2016. P. 43.

²⁶ Bappenas . Study of Skills and Workforce Mismatch in Indonesia . 2020. P. 11.

²⁷Ministry of Manpower of the Republic of Indonesia. Book Employment in Data Edition 6 Year 2022. 2022. P. 25.

²⁸ Muhammad Jaelani & Sutono . " Implementation Training Based on Competence At the Job Training Center (Blk) of the Manpower Department Gresik Regency In An Effort To Reduce Unemployment ". Journal of Economics, Business and Accounting . 2023. Vol. 3. No. 2. P. 141.

²⁹Agung Nurrahman. " Government Efforts in Overcoming The problem Unemployment in Indonesia". Journal Registratie . Vol. 2. No. 1. 2020. H.6.

System reform education and training vocation . Then There are *reskilling* and *upskilling* programs which are very important , especially for workers affected by the changes technology . The Indonesian government , through the Pre-Employment Card program , has facilitate training based on competence online , which allows seeker work and workers active For renew skills they in accordance market needs . This program also provides incentive financial For support the learning process .³⁰

Access to accurate information about growing sectors , skills needed , and regions with request tall can help seeker Work adapt self with need said . Digital platforms such as SISNAKER have developed by the Ministry of Manpower For bridging the information gap This³¹

Collaboration with Educational institutions , involvement in design curriculum , implementation of internship programs , and training Work based on industry is form contribution real in reduce gap skills . Some company big even has apply scheme internal training for prepare power Work in accordance need they .³²

Government together partner international has develop training entrepreneurship and providing access financing for manpower Work No only become seeker work , but also creator field work . Efforts This need support policy , synergy cross sector , as well as evaluation sustainable so that the system Indonesian employment is getting worse responsive and competitive in face global challenges .³³

The problem is access to training that is still ongoing limited , especially for community in the area remote yet own infrastructure adequate support , many underprivileged society realize importance improvement skills and reluctance follow the training program provided .³⁴

Inequality internet access and technology also become challenge in implementation training digital- based , which is currently This Lots used as solution For increase skills power work . The government also needs to expand access to training skills with build infrastructure supporters in the area remote as well as provide more online training programs easy accessible to all public .³⁵

Strengthening ecosystem Entrepreneurship is also an important strategy in reduce unemployment . Government can provide capital assistance , guidance business , as well as market access for UMKM and startup actors so that they can develop more rapidly . With various integrated strategies , it is hoped number unemployment can Keep going decreased , while welfare Indonesian society is increasingly increase .³⁶

Conclusion

Mismatch skills power Work with job market needs is factor main reason the occurrence unemployment structural . This problem happen when power Work No own relevant competencies with development industry and technology , so No capable fill in actual position

³⁰OECD. "Future-Ready Adult Learning Systems". OECD Publishing, 2019. P. 20.

³¹Pre-Employment Card . Report Impact of the Pre-Employment Card Program . 2023. <https://www.prakerja.go.id>.

³²Ministry of Manpower of the Republic of Indonesia. SISNAKER: Manpower System Information Employment . 2022.

³³International Labor Organization. "Skills Partnerships for the Future of Work." 2022. P. 17.

³⁴Wilem Reinhart Ridolof Pomeo, & Eko Winarti. " Dynamics Implementation Policy Placement Health Workers in Remote Areas : Challenges and Realities Field ". Tambusai Health Journal , 5. 2024. P. 2309–2329.

³⁵ Kesumadewi , E., & Aprilyani , A. " Overcoming Unemployment Through Improvement Entrepreneurship with the Workforce Program Mandiri ". Journal of Macroeconomics and Social Development. 2024. Vol 1. No. 4. H 8.

³⁶ Risky Entina Ardianti. "The Role of Policy Government in Coping Unemployment and Increasing Quality of Human Resources. Journal Macroeconomic Innovation . Vol. 7. No. 2. 2025. P. 25.

available . Phenomenon This exacerbated by the system education and training that has not been fully responsive to job market dynamics , as well as lack of access towards the training program reskilling and upgrading skills (*upskilling*). Inequality This create gap between demand and supply power work , which has an impact on increasing number unemployment , especially among graduate of new and workers aged unproductive capable adapt with changes . Therefore that , solution on unemployment structural No Enough only with create field work , but must accompanied with strengthening quality source Power human beings . This is need close collaboration between government , education world , and sectors industry in build system adaptive and based employment need real in the field .

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- Faisal Riza, Rachmad Abduh. Alternative Completion Dispute In general Arbitration Through Utilization Technology Information . DE LEGA LATA